4 3					•
	Ap	proved For Release 1003 1-0	1SECRET	0975A000900280001-1	
7.7					25X1
				13 November 1952	
25X1				Copy No. 57	25X1
		CURRENT INT	ELLIGENCE B	BULLETIN	
				DOCUMENT NO. NO CHANGE IN CLASS. DECLASSIFIED CLASS. CHANGED TO: TS S C NEXT REVIEW DATE: AUTH: HR 70-2 DATE: / REVIEWER:	25X1
				HEVIEWER:	 25X1
State Departm	ent revi	iew completed			
		Office of C	Current Intellig	ence	
		CENTRAL INT	ELLIGENCE A	GENCY	
					25X1

Approved For Release 2003/10/15 : CIA-RDP79T00975A000900280001-1

SUMMARY

25X1	1.	
	2.	Arab League decides to sever economic relations with West Germany (page 4).
		FAR EAST
	3.	Failure to engage Soviet planes over Japan may weaken US position (page 4).
		SOUTHEAST ASIA
	4.	Widespread arrests in Bangkok aimed at junior officer opposition (page 5).
		NEAR EAST - AFRICA
	5. 6.	Iranian official in new maneuver for American aid (page 5). Egyptian military regime to seek \$100,000,000 in US economic aid (page 6).
	7.	British Government sees possibilities in Egyptian proposals on Sudan (page 6).

WESTERN EUROPE

- 8. West German court reported ready to declare EDC treaty unconstitutional (page 7).
- 9. No decision on 1953 NATO armed force goals likely this year (page 8).
- 10. East German refugees flood West Berlin (page 8).

- 2 -

Approved For Release 2003/10/15 : CIA-RDP79T00975A000900280001-1

2. Arab League decides to sever economic relations with West Germany:

25X1A

The Arab League has decided to sever economic relations with Germany.
Ambassador Caffery reports that General Nagib told the German Ambassador that

individual Arab states would communicate their decisions directly to the Federal Republic and that the German Ambassador could expect the Egyptian note shortly.

Comment: Recent reports from the American Embassy in Cairo have emphasized the surprising depth of Arab feeling on this subject. Caffery has commented that bringing this matter up in the UN, as previously suggested by Chancellor Adenauer, would be "well nigh disastrous" for American interests in the Middle East. The US High Commissioner at Bonn has been assured, however, that he would be consulted before the Chancellor made such a proposal public.

FAR EAST

3. Failure to engage Soviet planes over Japan may weaken US position:

25X1A

Ambassador Murphy is concerned over the impression of weakness presented to Japan and the Far East generally by American failure to engage Soviet planes overflying

Japanese territory. He notes that Communist propaganda pictures the US as a weak and unreliable power, and he believes that thinking Japanese are questioning the firmness of American intentions to defend Japan under the terms of the security treaty.

The Japanese Foreign Minister agrees with Murphy that Japanese public opinion would react favorably to the engagement or actual shooting down of the Soviet intruders, as recommended by General Clark. The Ambassador also believes that this would stimulate support for the rearmament program in Japan.

- 4 -

25X1A

	25X1A		
Approve	ed For Release 2003/10/15 : CIA-RI	DP79T00975A00090)280001- ⁻

Comment: The security treaty does not specifically commit the United States to protect Japanese territory, but the Japanese generally interpret this to be the case. Soviet planes have violated Japanese territory over northern Hokkaido at least four times since September.

SOUTHEAST ASIA
Widespread arrests in Bangkok aimed at junior officer opposition:
The series of arrests begun by Thai police on 9 November involved chiefly junior military officers and left-wing journalists. The chief purpose of the arrests, according to the American Embassy, was to stamp out junior officer opposition to the regime by connecting it with communism. The Embassy states that rival Thai leaders are apparently cooperating in this operation, but warns that the "purge" may degenerate into a struggle for power within the ruling clique.
Comment: Discontent among junior officers has been previously reported. The wide range of arrests suggests, however, that the government was more interested in demonstrating its strength against its various opponents, who have recently become increasingly active.
NEAR EAST - AFRICA
Iranian official in new maneuver for American aid:
Iran's Chief of Staff Baharmast has suddenly become extremely friendly toward Americans,

25X1

- 5 -

25X1A

25X1A
Approved For Release 2003/10/15 : CIA-RDP79T00975A000900280001-1

	25X1
	Baharmast is reportedly contemplating the transfer of suspected pro-Communist officers to southern Iran, where they will be less dangerous.
	Comment: Mossadeq's advisory committee recently told him that the new US administration would assist Iran in solving its economic and financial difficulties. Baharmast's changed attitude may indicate a new Iranian campaign to secure American support.
6.	Egyptian military regime to seek \$100,000,000 in US economic aid:
25X1A	Colonel Amin, a member of the Egyptian army inner circle, has indicated to Ambassador Caffery that the military regime intends to request approximately \$100,000,000 in economic aid from the United States.
	In addition Colonel Amin handed the Ambassador a note from General Nagib including a list of military equipment desired and stating in general terms Egypt's desire to cooperate with the United States.
	Comment: This is the first time that Egypt has revealed the extent of its economic demands in return for cooperation with the West. According to General Nagib, Egyptian participation in MEDO is also dependent on withdrawal of British troops from the Suez area.
7.	British Government sees possibilities in Egyptian proposals on Sudan:
25X1A	British officials in London, Khartoum and Cairo state that the Egyptian proposals for the Sudan seem generally acceptable
_	- 6 -

25X1A

25X1A	
	but that their implementation would involve considerable practical difficulty. One of them, a member of the Sudan Government, although skeptical about the good faith of some of General Nagib's advisers, considers
that Nagihle own	now attitude makes a settlement hossible

Comment: British officials evidently feel that it will be possible to discuss their points of difference with the Egyptians. They had previously stated that the proposals as presently framed would delay Sudanese elections for at least a year and would cut across Britain's promise to make no major changes in the government without consulting the Sudanese.

WESTERN EUROPE

	8. West German court reported ready to declare EDC treaty unconstitutional: 25X1 25X1
25X1A	the West German Constitutional Court is "determined" to declare the European Defense Community
	treaty unconstitutional. Erich Ollenhauer, chairman of the opposition Social Democratic Party, has reportedly been informed of the court's opinion. 25X1
25X1	Such a decision by the court will lead to the prompt dissolution of parliament and early elections, in which the present government would probably be defeated.
	Comment: There is no other evidence suggesting that the court will take such action. Competent American and German observers generally believe that the court will decide in favor of the treaty. It will probably announce its decision in early January.

- '7 -

25X1A

Approved For Release 2003/10/15 : CIA-RDP79T00975A000900280001-1

9. No decision on 1953 NATO armed force goals likely this year:

25X1A

The American NATO delegation now believes that the Annual Review report to the 15 December ministerial meeting can cover only the progress of the NATO build-up during 1952. American insistence that

there be some agreement by December on firm armed force goals for 1953 has encountered strong opposition, particularly from France and Denmark. Only Canada and Belgium have mildly supported the United States.

The French representative visualizes the Annual Review as merely an exercise showing the gap between NATO military requirements and national capabilities.

Comment: All NATO members know that definite goals are needed in connection with forthcoming congressional action on foreign aid.

If an abbreviated review is adopted for the December meeting, a detailed report will be submitted to the North Atlantic Council early in 1953.

10. East German refugees flood West Berlin:

25X1A

With over 4,400 refugees, many of military age, reaching West Berlin between 1 and 7 November, the number of East German defections is now running substantially above

the rate of the past few months. In October there was a record high of 15,595, more than triple the number recorded only last May. Although there has been a slight decrease in the number of police and Alert Police defectors, nearly 350 in this category requested asylum during October.

Approved For Release 2003/10/15 : CIA-RDP79T00975A000900280001-1

American observers in West Germany attribute the increase to mounting political and economic pressure in East Germany and believe that despite tighter security controls, defections will continue at a high rate.